



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

May 23, 2002

CERTIFIED RETURN RECEIPT

7099 3400 0016 8896 3830

Mark Kaschmitter
ICM Kalium Ogden Corporation
P.O. Box 1190
Ogden, Utah 84402

Re: Five-Year Review of Reclamation Surety Estimate, ICM Kalium Ogden Corporation, Little Mountain Plant, M/057/002, Weber County, Utah

Dear Mr. Kaschmitter:

Thank you for providing the requested information regarding the five-year review status of your Little Mountain Plant, located in Weber County, Utah. The last surety estimate for this mine was \$298,900 in 2002 dollars. Upon review of the recent information furnished by ICM Kalium Ogden Corporation and a subsequent May 15, 2002 site inspection, the Division has identified several items that will require adjustments to the reclamation bond calculation.

The most significant change in the bond estimate is tied to the projected cost to reclaim the 17-mile dike around the west desert evaporation pond facility near Clymer Bay, and the expansion of the borrow pit acreages from 162.6 to 191.8 acres. The permit amendment for the west desert facility was initially submitted for Division review on February 9, 1998. Because most of the affected area was located below the high water line and within the lake bed, and because escalation of the reclamation bond for the entire facility had just been completed in 1997, we agreed to postpone making any pertinent bond adjustments until the next scheduled bond evaluation date (2002). The Division notified Great Salt Lake Minerals at that time, that adjustment of the surety bond to reflect the projected reclamation costs for the 17-mile dike, would need to be included in the 2002 update.

The surety amount for the Little Mountain Plant escalated to the year 2007 is \$391,700. An updated reclamation surety estimate is attached for your use. **Please provide the updated surety within 60 days, or no later than July 25, 2002.** You may have Chase Manhattan Bank provide an amendment to the existing Letter of Credit (LOC) as surety. However, if you choose to post another form of surety, please contact Joelle Burns at (801) 538-5291 to obtain the current bonding forms, or you may access the current forms on the internet at www.nr.utah.gov. You will also need to replace the Reclamation Contract, which will be attached to and become an integral part of the surety. We have enclosed a Reclamation Contract form (MR-RC) for your use. Please use your current Reclamation Contract as a guide. Please fax a "draft" copy of the Reclamation Contract so we can review it for accuracy and completeness before it is finalized. If you post a different form of surety, other than a surety rider, please

Page 2

Mark Kaschmitter

IMC Kalium Ogden Corp.

M/057/002

May 23, 2002

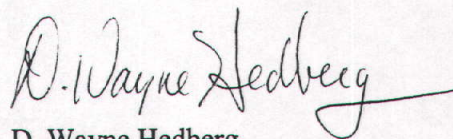
fax that to us for our review as well before finalizing. If you are unable to provide the surety within this timeframe, please contact the Division with justification for requesting additional time.

Another issue regarding the surety that needs to be addressed is the company/permittee name. On November 27, 2001, we received a letter stating IMC would be undergoing a change of control, effective November 28, 2001. The new entity will be named Compass Minerals Group, Inc. The LOC will be changed from IMC Salt Inc. c/o IMC Global Inc. to North American Salt Company (c/o Compass Minerals Group, Inc.). The letter stated a new LOC will be issued with no other changes except the name change. We placed a phone call to Carol Wood of Compass Minerals Group stating we needed a large mine permit transfer and new MR-RC to accompany the new LOC. She asked that the forms be sent to her. We sent a large mine permit transfer form, a blank MR-RC and a copy of the existing MR-RC to use as a guide. We also informed Ms. Wood that the surety was coming due for review in April, 2002. She informed us that you would amend the LOC for the new surety amount at the time it is recalculated.

On November 29, 2001, we received an amendment to the LOC stating the applicant's name is changed to North American Salt Company c/o Compass Minerals Group, 8300 College Blvd., Overland Park, KS 66210. We have not yet received the permit transfer form. Since that time, we have been receiving correspondence under the name of Great Salt Lake Minerals. If Great Salt Lake Minerals wants to be identified as the operator of record, please indicate that on the surety forms and MR-RC when you submit them.

Thank you for your cooperation and assistance in keeping the permitting records and reclamation surety amount current. If you have any questions concerning this letter, please contact me at (801) 538-5286 or Doug Jensen at (801) 538-5382.

Sincerely,



D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

Attachment: Surety estimate update, form MR-RC

cc: Doug Jensen, DOGM

O:\M057-Weber\M057002-LittleMountainPlant\final\M57-002-5yrbond-escal.doc

RECLAMATION SURETY ESTIMATE

Great Salt Lake Minerals Corporation

Little Mountain Plant

DOGM file Number M/057/002

Prepared by Utah State Division of Oil, Gas & Mining

last revision **05/20/02**

filename M057002WB page "estimate D8"

Weber County

-This site includes approximately 42,300 acres of evaporation ponds - 19,355 acres/Bear River Bay
23,000 acres/West Desert - 500 acre plant site - 191.8 acres of borrow areas.

-Reclamation of solar pond system by selective breaching of dikes & wave erosion.

-Reclamation of plant operations area is clean-up only - Post Mine Use

-Borrow pits to be regraded & reseeded. - Strongs Knob highwall <45 degrees

Borrow sites & acreages: Little Mountain - South 72 acres, Little Mountain - North 10 acres,
Pokes Point 80 acres, Strongs Knob 23.8 acres, Borrow #2 3 acres, Borrow #4 3 acres.

-All structures at Finger Point pump station is to be removed.

-Strongs Knob to Finger Point dike to be breached every mile

Access road across lake bed to be breached every 0.5 mile.

Note: Unit costs shown are from 1994 reclamation estimate - escalated to 2002 costs.

-Amount of disturbed area which will receive reclamation treatment 191.8 acres

-Estimated total disturbed area for this mine = 191.8 acres

Activity	Quantity	Units	\$/unit	\$
Plant Site Clean-up	1	lump sum	27,495	27495
Breach Dikes	10	each	1649	16490
Pump Station - remove concrete & wooden struct	1	lump sum	82486	82486
Regrade Borrow Areas	191.8	acres	247	47375
Reseed borrow areas	191.8	acres	481	92256
Breach Strongs Knob road	2	each	1680	3360
Breach Finger Point Dike	8	each	1680	13440
Remove Finger Point pump station	1	lump sum	26943	26943
Equipment mobilization	5	equip	1000	5000
Reclamation supervision	10	days	386	3860
		Subtotal		309844
10% Contingency				30984
		Subtotal		340829
Escalate for 5 years at 2.82% per year				50845
		Total		391674

Note

Rounded surety amount in year 2007 \$ 391700

Average cost per disturber acre = 2042

JB

DOGM

M/057/002

5/28/02

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

MARK KASCHMITTER
ICM KALIUM OGDEN CORP
PO BOX 1190
OGDEN UT 84402

2. Article Number (Copy from service label)

7099 3400 0016 8896 3830

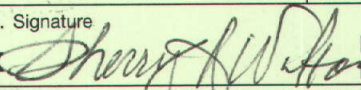
COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

X

☐ Agent☒ Addressee

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☒ No

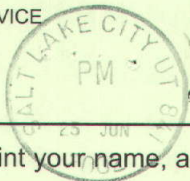
3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

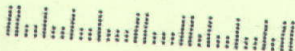
UNITED STATES POSTAL SERVICE



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

- Sender: Please print your name, address, and ZIP+4 in this box •

**DIVISION
OF
OIL GAS & MINING**
1594 W NORTH TEMPLE STE 1210
BOX 145801
SALT LAKE CITY UT 84114-5801



U.S. Postal Service
CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

JB

DOGM

MM/057/002 5/28/02

Postage

\$

Certified Fee

Return Receipt Fee
(Endorsement Required)

Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees

\$

Postmark
Here

Recipient's Name (Please Print Clearly) (to be completed by mailer)

MARK KASCHMITTER - ICM KALIUM OGDEN CORP

Street, Apt. No.; or PO Box No.

PO BOX 1190

City, State, ZIP+4

OGDEN UT 84402

7099 3400 0000 0040 0000 9100 8896 3830